

Kimberly Smith Speaks with *Crain Currency* on Family Office Deal Activity and Evolving Strategies in 2025

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Kimberly Smith, partner and global chair of Katten's Corporate department, was quoted in a recent *Crain Currency* article exploring how family offices navigated the shifting market environment in 2025. Kimberly discussed how market dynamics impacted middle-market transactions, prompting family offices to reassess where and how they deployed capital while remaining focused on strategic growth opportunities.

Throughout the year, policy headwinds impacted deal flow. Kimberly explained that early-year expectations for a business-friendly backdrop "didn't really play out," noting that tariff proposals "knocked the wind out of the sails of that middle-market activity," and together with recession concerns, led "a lot of family offices to pump the brakes on buying companies."

Family offices adapted by shifting their emphasis toward portfolio housekeeping and opportunistic execution. Kimberly observed that, with fewer assets coming to market and fewer private-equity exits, she "saw more activity on the add-on side, where family offices already had an existing platform, and they were looking for complementary and usually smaller businesses to tuck in with those platforms."

Investor creativity and urgency to deploy capital supported momentum in areas adjacent to traditional buyouts. "When people are eager to put capital to work, and there's pressure on the ability to do that, people start to get creative about how they can get something done," Kimberly said, pointing to more activity in secondaries, private credit and co-investments.

Kimberly also underscored the role of corporate divestitures in sustaining the dealmaking cadence, noting "an increasing interest in carve-outs," with "plenty of strategic sellers looking to liquidate various divisions for various reasons." That avenue, she explained, became "another way that people found to get deals done when that traditional private-equity pipeline wasn't there."

"In 2025, family offices managed money with cautious optimism, increased professionalization," *Crain Currency*, December 12, 2025

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